

State of California
State Water Resources Control Board

STATE GRANT CONTRACT/AMENDMENT

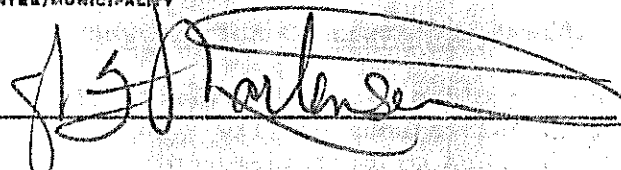
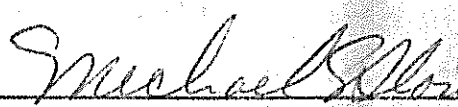
	GRANT CONTRACT	GRANT IDENTIFICATION NO. C-06-1022-103
X	GRANT AMENDMENT	AMENDMENT NO. 3
PROGRAM CONSTRUCTION OF TREATMENT WORKS		REFERENCE CLEAN WATER BOND LAWS 1970, 1974 & 1978

GRANTEE NAME SEWER AUTHORITY MID-COASTSIDE	ADDRESS P. O. BOX 67 HALF MOON BAY, CA 94019
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GRANTEE AUTHORIZED REPRESENTATIVE	
NAME W. FRED MORTENSEN	ADDRESS
TITLE MANAGER	
TELEPHONE (415) 726-5566	

PROJECT TITLE AND DESCRIPTION DESIGN OF UNIT 1 - TREATMENT PLANT, TRANSMISSION SYSTEM, AND OUTFALL FACILITIES. THIS AMENDMENT ADJUSTS THE GRANT TO CURRENT COSTS. THE AMENDMENT IS ON A NEW CONTRACT FORM TO PERMIT FUNDING FROM THE CLEAN WATER AND WATER CONSERVATION BOND LAW OF 1978.	PROJECT STEP 2
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FORMER GRANT	\$47,135	TYPE OF ACTION INCREASE
THIS ACTION	\$31,262	TOTAL ESTIMATED ELIGIBLE COST \$627,174
AMENDED TOTAL	\$78,397	SPECIAL CONDITIONS

SIGNATURE OF AUTHORIZED REPRESENTATIVE SEWER AUTHORITY MID-COASTSIDE GRANTEE/MUNICIPALITY BY:  TITLE: MANAGER 3/31/80 DATE EXECUTED BY GRANTEE	SIGNATURE OF AUTHORIZED OFFICIAL STATE OF CALIFORNIA STATE WATER RESOURCES CONTROL BOARD BY:  Chief, Division of TITLE: Audits & Administration MAR 14 1980 DATE EXECUTED BY STATE WATER RESOURCES CONTROL BOARD
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I. GENERAL INFORMATION

- A. This contract is made between the State of California, acting by and through the State Water Resources Control Board, hereinafter referred to as the "State Board" and a municipality duly organized, existing and acting pursuant to the laws of the State of California, hereinafter referred to as the "Grantee", and shall become effective upon the date executed by the State Board.
- B. This contract is authorized by the Clean Water Bond Laws of 1970 and 1974 and the Clean Water and Water Conservation Bond Law of 1978 (California Water Code, Division 7, Chapters 12.5, 13 and 14), which empower the State Board to enter into contracts with municipalities to aid in the construction of eligible projects.
- C. The Grantee has also applied for a federal grant for construction of an eligible project and said project has been approved and certified by the State Board, acting by and through its Division of Water Quality, hereinafter referred to as the "Division".
- D. The terms "municipality" and "eligible project" shall have the same meaning as in the Bond Laws, cited in B above.

II. GENERAL PROVISIONS

- A. Contingency. Grantee agrees that this contract is contingent upon the Grantee receiving, executing and fulfilling a federal grant agreement providing for assistance for the project. Grantee agrees to make reasonable efforts to secure such federal assistance.
- B. Grant Amount. Subject to the terms, conditions, and provisions of this contract, the State Board agrees to pay to the Grantee an amount which equals 12½% of the actual cost of construction of that portion of the project which is eligible for assistance from State grant funds.
- C. Use of Grant Funds. Grantee shall expend grant funds solely for construction of the eligible project. Grantee will, upon demand, remit to the State Board any grant funds not expended in construction of the eligible project or an amount equal to any grant funds expended by the Grantee contrary to the provisions of this contract.
- D. Access. Grantee agrees that the State Board, or its authorized agents shall have access to any books, documents, papers and records of the Grantee or the Grantee's contractors, or under the possession or control of the Grantee or the Grantee's contractors, that are pertinent to this grant.
- E. Construction Contract and Award. Grantee agrees that:
 - 1. Plans and specifications upon which bids are solicited for construction work will be substantially the same as the final plans and specifications submitted to and approved by the Division as a part of the Grantee's application, unless modification thereof has been approved by the Division.

2. Promptly upon bid opening, Grantee will advise the Division of any proposed award of construction contracts and will supply the Division with such information and documentation as may be required by the Division to evaluate the bid process, bids received, and award of contracts.
 3. Construction contracts will not be awarded until award has been approved by the Division.
 4. The construction contract will require the contractor to furnish payment and performance bonds, each of which shall be in an amount not less than 100% of the contract price.
 5. The construction contract will permit the Division, or its authorized agents, to have access to the work whenever it is in preparation or progress and provide that the contractor will provide proper facilities for access and inspection.
- F. Construction Contractor Payments. Grantee agrees to report to the Division and promptly credit to the State share due under this contract the full amount of any interest earned, or if no such interest is earned, an imputed amount of interest at the State Pooled Money Investment Board's interest rate, upon State sums paid to the Grantee, if payment to the contractor is unjustifiably delayed by the Grantee, its employees, or representatives.
- G. Grantee Assurances:
1. Grantee will proceed expeditiously with, and complete, the eligible project.
 2. Grantee warrants, represents, and agrees that it, its employees and representatives will comply with: (a) all applicable provisions of 40 CFR Chapter I, Subchapter B, including but not limited to, the provisions of Appendix A to 40 CFR Part 30; (b) all applicable provisions of 23 C.A.C. Subchapter 7; (c) all other applicable state and federal laws, rules, regulations and guidelines; (d) all special conditions contained in the federal grant agreement and in Appendix A of this agreement, which is attached hereto and made a part hereof.
 3. Grantee agrees that it, its employees and representatives will fulfill all assurances, declarations, representations, and statements made by the Grantee in the application, documents, amendments and communications filed in support of its request for grant.
 4. Grantee agrees to commence operation of the treatment works on completion of Step 3 construction and to properly operate and maintain such works in accordance with all applicable state and federal laws, rules, regulations and guidelines.
 5. Grantee will, at all times, operate the project upon completion of construction in such a manner as to provide service to existing and future participating agencies, persons and users on a fair and equitable basis.

6. The Grantee will, at all times, provide personnel sufficient in numbers and qualifications to properly operate and maintain its treatment works and such personnel will meet certification requirements of the State Board.
7. Grantee will timely pay all expenses connected with construction of the project.

H. Disbursement

1. Step 1 (Facilities Planning) and Step 2 (Preparation of Plans and Specifications) Payments - Payment for Step 1 and Step 2 project work will usually be made upon completion and approval of the work required to complete the step or, if specified in the payment schedule of the grant agreement, upon completion and approval of specific tasks within the step.
2. Step 3 (Construction) Payments - Payments for Step 3 project work may be requested as needed to meet the grantee's cash flow requirements. However, payment requests shall not be for less than \$500,000 or less than a 5 percent increment of the eligible cost. For example, a \$100,000 Step 3 would not be paid on less than \$5,000 and a \$20 million Step 3 would be limited to \$500,000 rather than \$1,000,000 which is 5 percent of \$20 million. In addition, there shall be a minimum time of one month between successive grant payment requests.
3. Notwithstanding the foregoing, Grantee agrees that the State Board may retain an amount up to 10 percent of the grant until final audit.
4. All retained amounts due to Grantee shall be disbursed after final audit, without interest.

I. Amendment. This contract may be amended by mutual written agreement of the parties hereto.

J. Termination.

1. This contract may be terminated prior to award of construction contracts for the project, by the State Board acting through the Division, at its option, where it appears that there will be lack of state funds available to fulfill this contract, provided that after such termination the Grantee shall be entitled to an amount which equals 12½ percent of eligible project costs which have actually been incurred by the Grantee prior to such termination.
2. This contract may be terminated prior to completion of the project, by the State Board acting through the Division, at its option, upon any of the following grounds:
 - a. Failure of the Grantee to receive or to execute a federal grant agreement for federal assistance for the project.
 - b. Failure of the Grantee to fulfill any part of its federal grant agreement resulting in termination of the federal grant agreement.

- c. Termination of the federal grant agreement for any reason.
 - d. Failure of the Grantee, after written notice from the Division of the nature of the failure, to comply with the terms, conditions, or provisions of this contract.
3. In the event that the total bid or bids for construction of the project (Step 3) deviate from the estimated cost of construction by more than 15 percent, after adjustment for inflation, the Division may:
- (a) terminate this contract, or
 - (b) approve the award of construction contracts despite such deviation, which approval shall be deemed to constitute an amendment of this contract, or
 - (c) require the Grantee to reevaluate the project and alternative treatment works at no cost to the State Board, and terminate or amend this contract after reevaluation as the Division deems appropriate.

In the event of any such termination, Grantee agrees that no further grant funds shall be payable under this contract.

- K. Remedies for Breach. In the event of breach by the Grantee of any of the terms, provisions or conditions of this contract prior to completion of the project, which breach results in termination of the contract by the Division, Grantee agrees to repay to the State Board, upon demand, an amount equal to any grant funds disbursed to the Grantee under this contract. Grantee agrees that this remedy is in addition to and not in derogation of any other legal or equitable remedy available to the State Board as a result of breach of this contract by the Grantee, whether such breach occurs before or after completion of the project.
- L. Indemnification. Grantee will indemnify the State of California and the State Board, and their officers, agents and employees against and hold the same free and harmless from any and all claims, demands, damages, losses, costs, expenses, or liability due or incident to, either in whole or in part, whether directly or indirectly, the design, construction, operation, repair, maintenance, existence, of failure of the project or any of its works or facilities.

SEWER AUTHORITY MID-COASTSIDE

P. O. Box 67

501 Main Street

Half Moon Bay, CA 94019

Phone 415-726-5566

RECEIVED

APR 3 1980

March 31, 1980

DIVISION OF WATER QUALITY

State Water Resources Control Board
Attn: Contracts Unit
P.O. Box 100
Sacramento, CA 95801

Re: (1) Contract Amendment No. 3; Project No. C-06-1022-103
(2) Contract Amendment No. 1; Project No. C-06-1022-111
(3) Clean Water Construction Grant Contract, Step 3; Project No. C-06-1022-120

Gentlepersons:

Enclosed please find signed and dated copies of items 1 and 3 above, which were accepted by resolution at the March 24, 1980 meeting of the SAM Board. Not enclosed is a signed and dated copy of item 2 above.

It now appears that the grant amendment in item 1 above will be sufficient to cover all remaining design costs for the entire project. The grant in item 3 above, however, is significantly below the low bid received. When this was called to Mr. John Blubaugh's attention, he advised SAM to accept the grant and the SWRCB would include the appropriate amendment to increase this amount when they send the Approval to Award.

Concerning item 2 above, the Board declined to accept this amendment, as it felt that the alternative of waiting for an amendment incorporating all adjustments necessary to this clean water grant was more appropriate. As you know, these further adjustments concern the increased funding for approved change orders to the project and increased funding to reflect approved engineering services costs which have already been submitted.

If you have any questions, please contact Mr. Robert W. Terkelson of this office.

Sincerely,


W. Fred Mortensen
General Manager

enc: (2)

WFM/tn

